



Severance Pay

References: Title 5, Code of Federal Regulations (CFR), Part 550, Subpart G;
Title 5, United States Code (U.S.C.), Section 5595(i);
DoDI 1400.25, DoD Civilian Personnel Management System, Volume 1700,
“Civilian Assistance and Re-Employment (CARE) Program”

If you’ve received a specific notice of involuntary separation through no fault of your own, you may be entitled to severance pay. In order to be eligible for severance pay, you must be serving under a qualifying appointment, have completed at least 12 months of continuous Federal service without a single break in service of more than 3 calendar days, and you must not have declined a reasonable job offer. For more information concerning the definition of a “qualifying appointment” and a “reasonable offer,” contact your supporting human resources office.

Even if you meet the requirements above, you’re not eligible for severance pay if, on the date of your separation, you’re eligible for an immediate annuity from a Federal civilian retirement system or from the uniformed services. You’re also ineligible for severance pay if you’re receiving injury compensation, unless you’re receiving compensation concurrently with pay, or the compensation is the result of someone else's death.

If you’re eligible, your severance pay will be calculated using years of creditable civilian service, basic pay (which may include premium pay and night shift differential); and age. The maximum severance pay entitlement over an employee's lifetime is limited to the amount that would provide 52 weeks of pay. Any severance pay received due to prior separations is deducted from the lifetime entitlement. For example, if you previously received 20 weeks of severance pay, your maximum entitlement for subsequent separations would be no more than 32 weeks.

DoD employees have the option to receive severance pay in a lump sum or in bi-weekly payments. If you choose the lump sum option, your severance pay may be subject to repayment on a pro-rated basis if you’re reemployed by the Federal government before the end of the period during which you would have received severance pay under the bi-weekly payment option.